

Message Text

CONFIDENTIAL

PAGE 01 CARACA 14747 231809Z POSS DUPE
ACTION ARA-10

INFO OCT-01 AF-08 EUR-12 ISO-00 CIAE-00 INR-07 NSAE-00
PM-04 NSC-05 SP-02 SS-15 L-03 EB-07 PRS-01 MCT-01
DODE-00 /076 W
-----240410Z 109548 /71

R 231708Z DEC 76
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC 6077
INFO AMEMBASSY BOGOTA
AMEMBASSY DAKAR
AMEMBASSY MOSCOW
RULPALJ USCINCSO
CINCLANT
AMEMBASSY BONN

C O N F I D E N T I A L CARACAS 14747

NOFORN

EO 11652: GDS
TAGS: PFOR PGOV PINT PINS PDIP ENRG EFIN VE SG UR SP
SUBJECT: THIS WEEK IN VENEZUELA

REF: CARACAS 14586 (NOTAL)

SUMMARY. GOV OFFICIAL STRESS POSITIVE ASPECTS OF PRICE DECISIONS
TAKEN AT OPEC MEETING. CONGRESS APPROVES THE CREATION OF SIX
NEW MINISTRIES AND COMPLETES ACTION ON 1977 GOV BUDGET DECEMBER
23.. VENEZUELA AND USSR TO EXCHANGE MILITARY ATTACHES. FOREIGN
MINISTER ESCOVAR VISITS SENEGAL AND SPAIN. CARACAS JOURNALIST
BREAKS STORY OF CUBAN ASYLEES. GERMAN-MADE SUBMARINE ARRIVES.
KIDNAP VICTIM RELEASED. END SUMMARY.

1. VENEZUELAN REACTION TO OPEC MEETING. VENEZUELAN OFFICIALS
THIS WEEK STRESSED WHAT THEY CONSIDERED TO BE THE POSITIVE
ASPECTS OF THE RECENT OPEC PRICE DECISION AND PLAYED DOWN ITS
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CARACA 14747 231809Z POSS DUPE

POSSIBLE ADVERSE EFFECTS. PRESIDENT PEREZ DENIED THAT OPEC HAD
SUFFERED IRREVERSIBLE DAMAGE AND SAID THE DECISION DEMONSTRATED
THAT THERE WAS AGREEMENT AMONG ALL OF ITS MEMBERS THAT A PRICE
INCREASE WAS NECESSARY AND THAT THE QUESTION OF PETROLEUM PRICES
WAS DIRECTLY RELATED TO PROGRESS IN THE NORTH-SOUTH CONFERENCE.
HE, ALONG WITH OTHER OFFICIALS, INSISTED THAT THE PRICE

DIFFERENTIAL WOULD HAVE LITTLE OR NO EFFECT ON VENEZUELA'S EXPORTS AND ADDED THAT IF A REDUCTION DID OCCUR, THE COUNTRY WAS WILLING TO MAKE THE SACRIFICE. (CARACAS 14652 AND 14685) (UNCLASSIFIED)

2. CONGRESS APPROVES CREATION OF SIX NEW MINISTRIES. IN ONE OF THE FINAL ACTS OF THE 1976 CONGRESSIONAL SESSION THE SENATE ON DECEMBER 22 PASSED THE CENTRAL ADMINISTRATION LAW, WHICH CODIFIES THE EXECUTIVE BRANCH REORGANIZATION PROPOSED BY PRESIDENT PEREZ SIX MONTHS AGO. THE LAW CREATES FOUR COMPLETELY NEW MINISTRIES--YOUTH, SECRETARIAT OF THE PPRESIDENCEY, URBAN DEVELOPMENT, AND ENVIRONMENT AND NATURAL RESOURCES--AND RESTRUCTURES TWO EXISTING MINISTRIES TO BE RENAMED ENERGY AND MINES, AND TRANSPORT AND COMMUNICATIONS. THE REORGANIZATION SHOULD TAKE EFFECT IN EARLY JANUARY AND COINCIDE WITH A CABINET RESHUFFLE. RUMORED FOR PORTFOLIOS ARE DIEGO ARRIA, INFORMATION AND TOURISM; ARNALDO JOSE GABALDON, ENVIRONMENT AND NATURAL RESOURCES; ROBERTO PADILLA FERNANDEZ, URBAN DEVELOPMENT; JOSE VIVAS CASANOVA, TRANSPORT AND COMMUNICATIONS; AND NESTOR RODRIGUEZ LOPEZ, YOUTH. (UNCLASSIFIED)

3. CONGRESS PASSES 1977 GOV BUDGET. THE SENATE IS EXPECTED TO GIVE ITS FINAL APPROVAL TO THE 1977 GOV BUDGET ON DECEMBER 23, THUS COMPLETING CONGRESSIONAL ACTION ON THE BS. 36 BILLION (\$8.5 BILLION) BUDGET. THE CHAMBER OF DEPUTIES PASSED IT DECEMBER 21 WITH ONLY THE GOVERNING AD PARTY AND THE MINISCULE CCN PARTY VOTING FOR THE BILL. THE OTHER OPPOSITION PARTIES INCLUDING COPEI, MIR, MAS, MEP, AND URD VOTED AGAINST THE BUDGET STATING IT WAS "INFLATIONARY" AND PERMITTED INCREASED PUBLIC SPENDING AND INDEBTEDNESS. (UNCLASSIFIED)
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CARACA 14747 231809Z POSS DUPE

4. VENEZUELA AND USSR TO EXCHANGE MILITARY ATTACHES. A VENEZUELAN ARMY OFFICER STATES THAT DURING PRESIDENT PEREZ' VISIT TO MOSCOW LAST MONTH VENEZUELA AND THE USSR AGREED TO EXCHANGE MILITARY ATTACHES (TO TAKE PLACE IN EARLY 1977) IN CONJUNCTION WITH AN INCREASE IN THE NUMBER OF DIPLOMATIC PERSONNEL ASSIGNED TO BOTH CAPITALS. THIS WILL BE THE FIRST EXCHANGE OF MILITARY ATTACHES BETWEEN THE TWO COUNTRIES. (CONFIDENTIAL/NOFORN)

5. FOREIGN MINISTER ESCOVAR VISITS SENEGAL AND SPAIN. IN LINE WITH THE GOV'S THIRD WORLD ORIENTATION, FOREIGN MINISTER RAMON ESCOVAR SALOM CONCLUDED ON DECEMBER 18 THE FIRST VISIT BY A VENEZUELAN FOREIGN MINISTER TO SENEGAL. ESCOVAR WAS RECEIVED BY SENEGALESE PRESIDENT LEOPOLDO SENGHOR AND PRIME MINISTER ABDOU DIOUF. THE FINAL COMMUNIQUE REITERATED BOTH COUNTRIES' SUPPORT FOR ALL PEOPLES STRUGGLING AGAINST MINORITY REGIMES AND RACIAL DISCRIMINATION AND AGAINST APARTHEID IN SOUTH AFRICA.

THIS WEEK ESCOVAR HAS BEEN IN SPAIN FOLLOWING UP ON PRESIDENT PEREZ' RECENT VISIT. (UNCLASSIFIED)

6. JOURNALIST BREAKS STORY OF CUBAN ASYLEES. CARACAS
JOURNALIST RAFAEL POLEO, EDITOR OF ZETA WEEKLY NEWS MAGAZINE
AND COLUMNIST FOR EL MUNDO NEWSPAPER, REVEALED THE PRESENCE OF
5 CUBAN ASYLEES IN VENEZUELA ON DECEMBER 22. (CARACAS A-163)
POLEO TRACKED DOWN ONE OF THE ASYLEES, EMILIO SANTIAGO , AND
OBTAINED DETAILS OF THE REQUEST FOR ASYLUM IN THE VENEZUELAN
EMBASSY IN HAVANA AND SUBSEQUENT VENEZUELAN AIR FORCE AIRLIFT TO
VENEZUELA ON DECEMBER 8. SO FAR GOV OFFICIALS HAVE REFUSED TO
EITHER CONFIRM OR DENY THE STORY, AND OPPOSITION FOREIGN AFFAIRS
SPOKESMEN HAVE EXPRESSED SURPRISE AT NOT BEING BRIEFED ABOUT IT
BY THE FOREIGN MINISTRY. (UNCLASSIFIED)

7. GERMAN-MADE SUBMARINE ARRIVES. THE FIRST OF TWO GERMAN-
SUBMARINES PURCHASED BY THE VENEZUELAN NAVY ARRIVED ON DECEMBER 20,
1976. THE SECOND IS DUE TO ARRIVE LATE IN 1977. (UNCLASSIFIED)
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 CARACA 14747 231809Z POSS DUPE

8. KIDNAP VICTIM RELEASED. VENEZUELAN RANCHER/LAWYER
RICARDO LOPEZ SANCHEZ, KIDNAPPED DECEMBER 11 WAS RELEASED
UNHARMED BY HIS ABDUCTORS ON DECEMBER 18. ACCORDING TO HIS
FAMILY, NO RANSOM WAS PAID. INTERIOR MINISTER OCTAVIO LEPAGE
HAS CONTINUED TO MAINTAIN THAT THERE WAS NO POLITICAL MOTIVATION
TO THE KIDNAPPING--JUST THE WORKOF COMMON CRIMINALS. (UNCLASSIFIED)

9. OTHER REPORTING THIS WEEK INCLUDED VENEZUELAN REACTION TO
OPEC PRICE DECISION (CARACAS 14652 AND 14685), SUPREME COURT
CONFIRMS REVOCATION OF CARLO BORDONI'S VENEZUELANCITIZENSHIP
(CARACAS 14676), COMMENT ON VENEZUELA-USSR AGREEMENT ON OIL
SHIPMENTS TO CUBA (CARACAS 14677), GOV PLANS MASSIVE BORROWING
FOR DEVELOPMENT PROGRAMS (CARACAS 14651), LETTER FROM MRS.
NIEHOUS PUBLISHED (CARACAS 14715), AND AN ACCOUNT OF EMBASSY
OFFICERS' VISIT TO STATE OF BOLIVAR AND FEDERAL TERRITORY OF
DELTA AMACURO (CARACAS A-170). (LIMITED OFFICIAL USE)
VAKY

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, GOVERNMENT REACTIONS, PRICES, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 23 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976CARACA14747
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760471-1062
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761218/aaaaapco.tel
Line Count: 157
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 CARACAS 14586
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags:
Review Date: 28 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 APR 2004 by MartinML>; APPROVED <19 AUG 2004 by BoyleJA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: THIS WEEK IN VENEZUELA
TAGS: PFOR, PGOV, PINT, PINS, PDIP, ENRG, EFIN, VE, SG, UR, SP, OPEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006